

MEMORANDUM

To: Members of the Committee on Financial Services

From: Financial Services Committee Majority Staff

Date: March 16, 2018

Subject: March 21, 2018 Full Committee Markup

The Committee on Financial Services will meet to mark up the following measures, in an order to be determined by the Chairman, at 10:00 am on March 21, 2018, and subsequent days if necessary, in room 2128 of the Rayburn House Office Building:

H.R. 2683, the Protecting Veterans Credit Act of 2017

Introduced by Representative John Delaney, the “Protecting Veterans Credit Act of 2017,” as proposed to be modified by an amendment in the nature of a substitute expected to be offered by Representative Delaney, amends the Fair Credit Reporting Act to exclude from consumer report information:

- (1) Certain medical debt incurred by a veteran if the hospital care or medical services relating to the debt predates the credit report by less than one year; and
- (2) A fully paid or settled veteran's medical debt that had been characterized as delinquent, charged off, or in collection.

It also establishes a dispute process for consumer reporting agencies with respect to such veterans’ medical debt.

H.R. 4659, To require the appropriate Federal banking agencies to recognize the exposure-reducing nature of client margin for cleared derivatives

Introduced by Representative Blaine Luetkemeyer, H.R. 4659 would amend the Federal Deposit Insurance Act, the Bank Holding Company Act and the Home Owners’ Loan Act to allow for the supplementary leverage ratio to recognize the exposure-reducing effect of initial margin posted for centrally cleared derivatives.

H.R. 4790, the Volcker Rule Regulatory Harmonization Act

Introduced by Representative French Hill, the “Volcker Rule Regulatory Harmonization Act,” as proposed to be modified by an amendment in the nature of a substitute, amends Section 619 of the Dodd-Frank Act to streamline the regulatory authority over the Volcker Rule by granting the Federal Reserve the exclusive rulemaking authority and identifying the primary federal agency for the sole examination and enforcement authority over an entity. The Volcker Rule Regulatory Harmonization Act also exempts community banks from the Volcker Rule if they do not have and are not controlled by an entity with \$10 billion or more in total consolidated assets and total trading assets and trading liabilities that are more than 5 percent of total consolidated assets. The legislation is based on Section 901 of H.R. 10, the Financial CHOICE Act of 2017.

H.R. 4861, the “Ensuring Quality Unbiased Access to Loans Act of 2017”

Introduced by Representative Trey Hollingsworth, the “Ensuring Quality Unbiased Access to Loans Act of 2018” would repeal the Federal Deposit Insurance Corporation (FDIC) “Guidance on Supervisory Concerns and Expectations Regarding Deposit Advance Products” (78 Fed. Reg. 70552; November 26, 2013). The bill would also require the Federal banking agencies to each issue regulations, subject to notice and comment, to establish standards for short-term, small-dollar loans or lines of credit made available by insured depository institutions.

H.R. 5051, the Public Company Registration Act

Introduced by Representative Sean Duffy, this bill amends section 12(g) of the Securities Exchange Act of 1934 to raise the threshold for companies to register as a public reporting company with the Securities and Exchange Commission (SEC) from 500 non-accredited investors to 2,000, with the \$10 million threshold indexed for inflation. Additionally, the bill raises the threshold under section 12(g) for issuers to terminate a class of securities from 300 to 1,200 investors. Lastly, the bill amends section 15(d) of the Securities Exchange Act of 1934 to raise the exemption from filing supplemental and periodic information with the SEC from 300 to 1,200 investors. This legislation is based on Section 844 of H.R. 10, the Financial CHOICE Act of 2017.

H.R. 5076, the “Small Bank Exam Cycle Improvement Act of 2018”

Introduced by Representative Claudia Tenney, the “Small Bank Exam Cycle Improvement Act of 2018” amends the Federal Deposit Insurance Act to increase the qualifying asset threshold for insured depository institutions eligible for 18-month on-site examination cycles from \$1 billion to \$3 billion.

H.R. 5082, the “Practice of Law Technical Clarification Act of 2018”

Introduced by Representative Alex Mooney, the “Practice of Law Technical Clarification Act of 2018” amends the Fair Debt Collection Practices Act to exclude from the definition of “debt collector” any law firm or licensed attorney engaged in litigation activities in connection with a legal action in a court of law to collect a debt on behalf of a client to the extent that such legal action is served on the defendant debtor, or service is attempted, in accordance with the applicable statute or rules of civil procedure. These activities include:

- (1) Serving, filing, or conveying formal legal pleadings, discovery requests, or other documents pursuant to the applicable rules of civil procedure; or
- (2) Communicating in, or at the direction of, a court of law, or in the enforcement of a judgment; or
- (3) any other activities engaged in as part of the practice of law, under the laws of a State in which the attorney is licensed, that relate to the legal action.

This bill also amends the Consumer Financial Protection Act of 2010 to clarify that the Consumer Financial Protection Bureau (CFPB) may not exercise supervisory or enforcement authority with respect to attorneys engaged in the practice of law and not offering or providing consumer financial products or services.

H.R. ____, the Derivatives Fairness Act

To be introduced by Representative Warren Davidson on Monday, March 19, 2018, the “Derivatives Fairness Act” would amend Title I of the Dodd-Frank Act to add a new section 177 entitled “Credit Valuation Adjustment.” This legislation would exempt from the Credit Valuation Adjustment capital charge non-cleared derivatives with certain counterparties commonly described as “end-users”.